



Risk Management Policy

1. Introduction

The Company is committed to ensure that risk management assessments and decisions, for the Company, are based on a consistent approach

2. Definition

Risk is the effect (Positive or Negative) of uncertainty on business objectives. Risk management is the coordination of activities that direct and control the department with regard to risks. Risk management involves managing adverse effects as well as realising opportunities. Risk management refers to the deliberate action that a company take to identify, understand and deal with risks to achieving objectives.

3. Scope

This document outlines the risk management procedure for effective risk management of the Company.

4. Responsibilities

The responsibility and accountability for implementation of risk management framework remains with the board of directors. However the head of internal audit will assist the board on risk management.

5. Process

Risk management process includes establishing the context, identifying, analysing, responding and monitoring.

i. Establishing the Context

- The management will establish the context to determine the boundaries in which the risk management framework will operate.
- Strategic, corporate, operational and financial risk would be considered in context.
- In establishing the context, the management will consider the external and internal environment, risk profile, risk appetite and responsibilities and business continuity plan.

ii. Risk Analysis

- Head of Internal Audit will identify the level of exposure and ineffective controls, if any.
- Head of Internal Audit will inform the management about status of the risks and also recommend risk treatment, if required.



- Head of Internal Audit will develop a risk-based audit plan that will be presented and approved by the Audit Committee of the Board.

iii. Risk Treatment

- The management will look into the risks status identified by the head of internal audit.
- The management will chose option(s) to minimize the risks to identify the treatment.
- Management will reassess risk levels with controls and treatment in place.

iv. Risk monitoring and review

- The Head of internal audit will forward the risk list to risk owner for review to determine whether risk still exists, whether new risk has arisen, whether impact has changed and to reassess the risk priorities, on periodic basis.
- Head of Internal audit will report to audit committee regarding status of risks in audit committee meeting.